

# Power Cost Memorandum Fuel Cost Update

Date: **February 10, 2022**

Utility Name (Cert. No.) <b>Chignik Lake Electric Utility (437)</b>	Utility File No. <b>PC83-0415L</b>	Date Filed:* <b>December 10, 2021 and November 9, 2021</b>
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PCE AMOUNT SUMMARY	Previously Approved PC83-0415K	Staff Recommended Amount(s) and Effective Date PC83-0415L
Class Rate	Date Approved: July 1, 2021	February 11, 2022
All	\$ 0.3336	\$ 0.2714
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		

Prior Fuel Purchase Price: <b>\$ 3.2093</b>	New Fuel Purchase Price: <b>\$ 2.5709</b>
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted	<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted
Delivery Charge: <u>0.32</u>	Surcharge Change: Previous _____ Updated _____

Weighted Average Fuel Price/Gal. Calculation					
	Gallons		Price		
On-hand before deliv.	5,000	X	3.2093	=	16,046.51
Delivered	45,000	X	2.5000	=	112,499.50
	<u>50,000</u>				<u>\$ 128,546.01</u>
					Weighted Average
					<u>\$ 2.5709</u>

\* On December 16, 2021, Chignik Lake agreed to extend the review deadline from December 24, 2021 to February 15, 2022. 3 AAC 52.650(a) specifies a 45 day review period.

Signed: *Brenda Cox*  
Brenda Cox

Utility Financial Analyst

**Commission decision re. this recommendation :**

	Date (if different from 2/10/22)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Pickett		<i>RMP</i>		
Kurber		<i>KKT</i>		
Scott		<i>AGS</i> AGS		
Sullivan		<i>DS</i> DS		
Wilson		<i>JWW</i>		

*Special Instructions to Staff:*

\*If this column is initialed, Staff will contact the Commissioner for the statement, otherwise, dissent will simply be noted at the close of the By Direction Letter or Order

# Chignik Lake Electric Utility

POWER COST EQUALIZATION CALCULATION  
FOR PERIOD ENDING June 30, 2015  
Fuel Cost Update

	PC83-0415K	PC83-0415L	
	Prior Commission Approval	Utility Requested	Staff Recommended
A. Total kWh Generated	390,532	390,532	390,532
B. Total kWh Sold (Appendix 2)	335,187	335,187	335,187
C. Total Non-Fuel Costs (Appendix 2)	74,471	74,471	74,471
<b>D. Non-Fuel Cost/kWh (C / B)</b>	<b>\$0.2222</b>	<b>\$0.2222</b>	<b>\$0.2222</b>
E. Total Fuel Costs (Appendix 2)	110,371	88,417	88,417
F. Fuel Costs/kWh (E / B)	<b>\$0.3293</b>	<b>\$0.2638</b>	<b>\$0.2638</b>
G. Eligible Costs/kWh (D + F)	\$0.5515	\$0.4860	\$0.4860
H. Eligible Cost/kWh (G) less base rate in effect	<b>\$0.3512</b>	<b>\$0.2857</b>	<b>\$0.2857</b>
I. Lesser of (H) or 79.97 cents/kWh	\$0.3512	\$0.2857	\$0.2857
J. Average Class Rates (Appendix 3)  ALL	\$0.7097	\$0.7097	\$0.7097
K. Lesser of: (I) x 95% or (J)  ALL	\$0.3336	\$0.2714	\$0.2714
<b>L. Funding Level in Effect</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>ALL</b>	<b>\$0.3336</b>	<b>\$0.2714</b>	<b>\$0.2714</b>

PC83-0415L  
Appendix 1

# Chignik Lake Electric Utility

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY  
FOR PERIOD ENDING June 30, 2015

## Fuel Cost Update

		PC83-0415K		PC83-0415L
		Prior Commission Approval	Per Utility	Per Staff
<b>Non-Fuel Costs:</b>				
A.	Personnel Costs	41,379	41,379	41,379
B.	Operating Expense	6,697	6,697	6,697
C.	General & Administrative	20,481	20,481	20,481
D.	Depreciation & Amortization	5,914	5,914	5,914
E.	Interest Expense (Income)	0	0	0
F.	Other (Describe) Misc. Income	0	0	0
<b>G.</b>	<b>Total Non-Fuel Costs</b>	<b>\$74,471</b>	<b>\$74,471</b>	<b>\$74,471</b>
<b>Fuel Costs:</b>				
H.	Gallons Consumed for Electric Generation	34,391	34,391	34,391
I.	Price of Fuel:(per gal) Weighted Average	\$3.2093	\$2.5709	\$2.5709
<b>J.</b>	<b>Total Cost of Fuel</b>	<b>\$110,371</b>	<b>\$88,417</b>	<b>\$88,417</b>
K.	kWh Generated	381,431	381,431	381,431
L.	kWh Sales	335,187	335,187	335,187
M.	kWh Station Service	11,462	11,462	11,462
N.	Efficiency (K/H) ≥	10.5	11.09	11.09
O.	Line Loss ≤	12%	9.12%	9.12%
(kWh Generated - (kWh Sold + Station Service))/kWh Generated				

### Weighted Average price of fuel:

	Gallons	X	Price	=	Cost	Weighted Average
On Hand	5,000		\$3.2093	=	\$16,047	
Delivered	45,000		\$2.5000	=	\$112,500	
<b>TOTAL</b>	<b>50,000</b>			=	<b>\$128,546</b>	<b>\$2.5709</b>

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Appendix 2

# Chignik Lake Electric Utility

## CALCULATION OF AVERAGE CLASS RATE PER kWh

Rate Schedule: **Single Rate**

Customer Charge: \$5.00

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)+ CC	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2003
0 to 500	0.9000		0.9000	455.0000		
to						
to						
to						
<b>Max</b> 500			<b>Total</b>	<b>455.0000</b>	<b>0.9100</b>	<b>0.7097</b>

Rate Schedule:

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2003
0 to						
to						
to						
to						
<b>Max</b> 500			<b>Total</b>			

Rate Schedule:

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2003
0 to						
to						
to						
to						
<b>Max</b> 500			<b>Total</b>			

Rate Schedule:

(1) Block (by kWh)	(2) Rate (\$/kWh)	(3) Surcharge (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - \$ 0.2003
0 to						
to						
to						
to						
<b>Max</b> 500			<b>Total</b>			

## Chignik Lake Electric Utility

	Delivery Date	Gallons	Cost per Gallon	Delivery/ Mark-Up per Gallon	Total Cost
Beginning Fuel Inventory		5,000			
Last Approved Fuel Cost/Gal.			\$ 3.2093		
Beginning Fuel Inventory in Gallons X Last Approved Fuel Cost/Gal. = Beginning Fuel Inventory Cost --->					\$ 16,046.51
Reporting Period Purchases	9/1/2020	1,510.1	2.5000		3,775
	9/1/2020	1,517.4	2.5000		3,794
	9/1/2020	1,583.2	2.5000		3,958
	9/2/2020	1,857.8	2.5000		4,645
	9/3/2020	1,878.2	2.5000		4,696
	9/3/2020	2,010.5	2.5000		5,026
	9/9/2020	1,000.4	2.5000		2,501
	9/18/2020	1,790.4	2.5000		4,476
	9/19/2020	1,864.5	2.5000		4,661
	9/19/2020	1,531.8	2.5000		3,830
	9/20/2020	1,862.3	2.5000		4,656
	9/20/2020	2,081.8	2.5000		5,205
	9/20/2020	957.5	2.5000		2,394
	9/27/2020	1,071.8	2.5000		2,680
	9/24/2020	1,242.4	2.5000		3,106
	9/26/2020	1,300.3	2.5000		3,251
	9/28/2020	1,845.4	2.5000		4,614
	9/28/2020	1,573.3	2.5000		3,933
	10/3/2020	1,823.3	2.5000		4,558
	10/3/2020	1,585.7	2.5000		3,964
	10/4/2020	1,783.0	2.5000		4,458
	10/4/2020	2,050.0	2.5000		5,125
	10/4/2020	1,243.2	2.5000		3,108
	10/4/2020	1,242.0	2.5000		3,105
	10/5/2020	1,880.1	2.5000		4,700
	10/5/2020	2,053.5	2.5000		5,134
	10/6/2020	1,870.1	2.5000		4,675
	10/6/2020	989.8	2.5000		2,475
					-
Totals for Reporting Period Purchases on this sheet:		45,000			112,500
Grand Totals		50,000			\$ 128,546

Grand Total Cost divided by Grand Total Gallons =

2.5709

Total Purchases divided by Total Gallons Purchased

2.5000

Chignik Lake included a Delivery/Markup of \$1.10/gallon in its PCE fuel report. Chignik Lake did not provide documentation it paid the \$1.10 per gallon. Therefore, Staff did not include any mark-up delivery costs above.

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